

IPART Review

Prices for Sydney Water Corporation from 1 July 2025 (Issues Paper)

Dear IPART,

The Parks, Sydney's Parkland Councils welcome the opportunity to provide this submission to IPART on the issues paper reviewing the prices for Sydney Water and WaterNSW Greater Sydney.

Key points for consideration

- ❖ With one of the fastest growing economic and populations in Australia, the Western Parkland City is becoming the powerhouse of Sydney and offers enormous untapped potential to solve the housing crisis and drive prosperity and wellbeing for its citizens.
- ❖ However, we are experiencing a number of problems across our region due to the lack of capacity of existing water infrastructure and/or the complete lack of infrastructure in greenfield growth areas, in some of which housing is going in before the infrastructure can be built. This has resulted in sewerage being trucked daily out of some new developments
- ❖ Sydney Water currently does not have the funding and/or capacity to build the new infrastructure and provide the appropriate water and wastewater services to our new growth areas and this is seriously impacting our ability to deliver more housing.
- ❖ If this situation persists, it is likely that developers will turn to the private sector, which could lead to poorer service and/or jeopardise longer-term solutions.
- ❖ There is hence a strong argument for the majority of increased funding to be spent on new infrastructure for the residents of the Western Parkland City
- ❖ Our people are amongst the most socio-economically challenged and are already forced to expend greater amounts on transport-related costs (cars, petrol, tolls) than any other part of Sydney. They can also be seen to have funded the delivery of significant infrastructure in the East to date. These factors need to be considered, and also provide a strong logic for the distribution of costs of stormwater systems construction and management across Sydney Water's entire customer base rather than customers in Mamre Road, the Aerotropolis Precinct, Rouse Hill and Wilton.

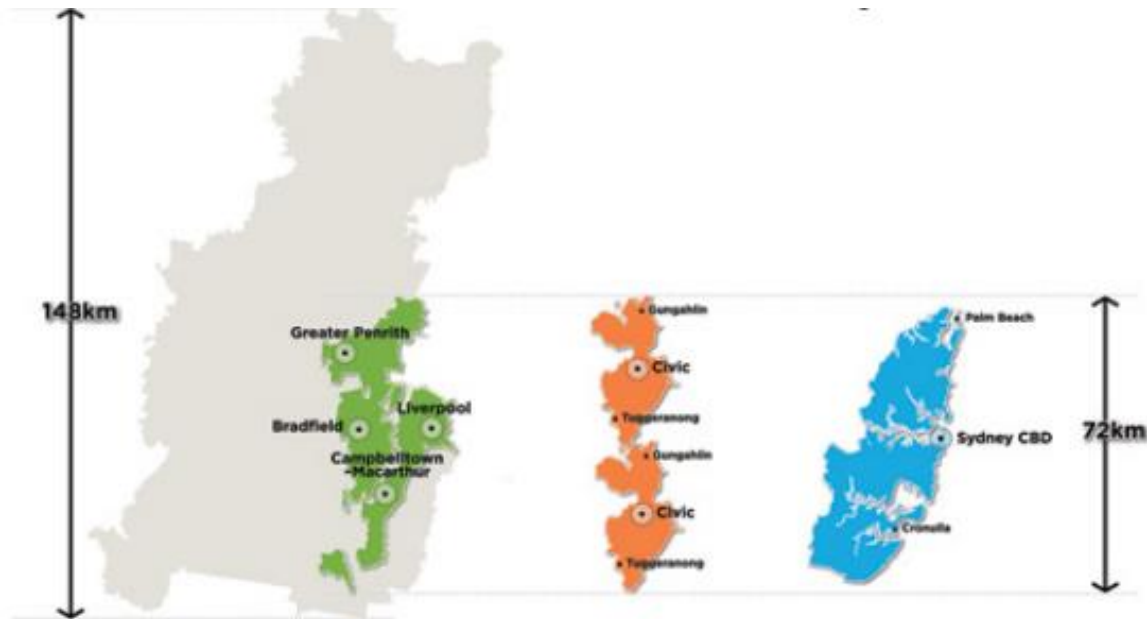
Background

The Parks represents the eight Councils that make up the Western Parkland City, namely: Blue Mountains, Camden, Campbelltown, Fairfield, Hawkesbury, Liverpool, Penrith and Wollondilly. This geographic grouping was first outlined in the Metropolis of Three Cities paper published by the Greater Sydney Commission¹ and formed the basis for the alliance of Councils that then signed the Western Sydney City Deal in March 2018 with the NSW State and Commonwealth governments.

The Western Parkland City is a geographically diverse region of over 8,000 hectares with a vibrant multicultural population of over 1.1 million people. We would argue that our sustained success is not

¹ [A Metropolis of Three Cities | Greater Cities Commission](#)

only a priority for New South Wales but nationally as while we bore 15% of Sydney’s population growth in the decade to 2011, we are set to absorb 34% of the growth in the decade to 2041.² We have a vast array of assets, including our multilingual workforce, natural heritage such as the Blue Mountains, emerging high tech industry potential and first-class health and education institutions. The urban development front of the Parkland City is stretched across a 72 kilometre corridor, the only such greenfield area in Australia, and already supports globally competitive industries of national significance.



The NSW State Government’s Blueprint³ for our region suggested that we might require 15-30% of the NSW infrastructure spend over the next 15 years to keep pace with this growth, a figure equalling roughly \$60-\$120 billion, however even this may not be sufficient.

Since 2011, NSW’s investment program, co-funded by the Commonwealth, has heavily prioritised ‘city-shaping’ and major place-making investments in Sydney’s East and to a lesser degree, Parramatta. Research commissioned by The Parks to benchmark our region against these other major centres⁴ showed such investment commitments for the City of Sydney and Eastern Harbour City totalled more than \$100 billion over the last decade, while the City of Parramatta and Central River City received more than \$60 billion in investment commitments. The Western Parkland City, on the other hand, only received about \$20 billion, less than one fifth that of the Eastern Harbour City. With our existing centres bearing significant investment backlogs, our vast geography requiring an increased scale of investment, and our issues set to intensify as our population grows, we deserve more and better.

The Parks’ Councils wish to make a collective submission to IPART, whilst acknowledging individual submissions may also be made by Councils identifying specific issues affecting their local government area.

² Sydney’s Parkland Councils Future Horizons Benchmarking Report, December 2022, Sea and Star Advisory

³ [Western-Parkland-City-Blueprint.pdf \(wpca.sydney\)](#)

⁴ Sydney’s Parkland Councils Future Horizons Benchmarking Report, December 2022, Sea and Star Advisory

Our population growth

The Western Parkland City has borne the burden of population growth for Greater Sydney for some time, taking 15% of statewide population growth for New South Wales in the decade until 2011. This is only set to increase with forecasts predicting one third of all population growth of new residents to Sydney to be in our City by 2040.⁵

As the Department of Planning and Environment population projections and Common Planning Assumptions projections outline, unprecedented growth in the region is expected over the next 20 years between 2021 and 2041⁶ in the following areas, with the population projections for 2041 in:

- Camden LGA – 197,735 (an additional 89,827 people)
- Campbelltown LGA – 229,301 (an additional 54,640 people)
- Fairfield LGA – 247, 803 (an additional 37,000 people)
- Liverpool LGA – 232,303 (an additional 80,350 people)
- Penrith LGA – 270,477 (an additional 54,402 people)
- Wollondilly LGA – 90,356 (an additional 36,317 people)

At the same time, our communities are best characterised by their long term contributions to NSW's economic and social fabric, with 82% of residents considered long term as they called NSW home 5 years' previously.⁷

'Solid' numbers

However, we would argue that those figures above do not even portray the whole picture as the 'Common Planning Assumptions' developed by the NSW Government in 2019 have been consistently and regularly challenged by several Western Parkland Councils. We would argue that it is not the most accurate population/dwelling data and hence caution should be taken before relying upon this data when making strategic infrastructure investment decisions.

For example, the current population data projections for the South West Growth Area (in the Camden LGA) depicts the significant disparity between population projections prepared by the NSW Government, compared to those developed by Council. An analysis of data comparing DPHI's '2022 Demographic and Dwelling Forecast Data' against updated population projections from Council's live planning proposals and data from a significant landholder and developer with rezoned land in the South West Growth Area, revealed the extent of the mis-match of the NSW Government's projections compared to actual populations numbers.

At the year 2041, Council's projections estimate a population within the South West Growth Area of 241,172 persons, compared with DPHI's forecast of 170,529. This is a significant difference of over 70,000 persons. By 2046, the total population of Camden LGA is forecast to be 257,172 persons with a total of 90,379 dwellings (please see chart below).

⁵ Sydney's Parkland Councils Future Horizons Benchmarking Report, December 2022, Sea and Star Advisory

⁶ <https://www.planningportal.nsw.gov.au/populations>

⁷ Ibid

POPULATION CHANGE (as at 2021 Census)

SUBURBS AND LOCATIONS	2021	2016	2011	5-YEAR CHANGE	10-YEAR CHANGE
Bringelly – Cobbitty	4,761	2,573	1,224	85.0%	289.0%
Camden	3,378	3,230	3,242	4.6%	4.2%
Camden South	4,595	4,540	4,342	1.2%	5.8%
Currans Hill	5,541	5,311	4,967	4.3%	11.6%
Elderslie	7,878	6,341	4,261	24.2%	84.9%
Gledswood Hills - Gregory Hills	15,253	4,875	75	212.9%	20237.3%
Grasmere - Ellis Lane & District	3,127	2,987	2,722	4.7%	14.9%
Harrington Park - Kirkham	14,022	11,359	8,315	23.4%	68.6%
Leppington - Rossmore - Catherine Field	11,206	5,757	4,973	94.6%	125.3%
Mount Annan	11,784	11,704	10,540	0.7%	11.8%
Narellan - Smeaton Grange	3,372	3,309	3,522	1.9%	-4.3%
Narellan Vale	6,931	7,196	7,155	-3.7%	-2.6%
Oran Park	17,624	4,766	125	269.8%	13999.2%
Spring Farm	9,868	4,304	1,310	129.3%	653.3%
Camden Council Area	119,325	78,218	56,720	52.6%	110.4%
Greater Sydney	5,231,147	4,823,991	4,391,636	8.4%	19.1%
New South Wales	8,072,163	7,480,228	6,917,601	7.9%	16.7%
Australia	25,422,797	23,401,890	21,504,691	8.6%	18.2%

Camden LGA is projected to grow by **83.16%** from 2021-2041 and is predicted to have a population of 241,172 by 2041 at an average annual change of **3.55%**.

This disparity in the numbers causes us considerable concern as if the DPPI forecast is used to determine infrastructure and servicing requirements, there will be a significant shortfall in infrastructure provision as the population will be higher than expected.

Scale of the problem in the Western Parkland City

As this shows, the Western Parkland City is one of the fastest growing regions in the State, driven largely by greenfield developments and urban intensification. This population growth has placed significant additional demand on the existing water infrastructure and services in the area as well as

creating a need for far greater investment in new water infrastructure to meet the needs of our populations.

The key issue being faced is the sheer scale of development. With growth areas scattered across a development front of 72 kms within an area of 8000 square hectares, there are huge geographic distances to cover. This creates an unprecedented challenge. Consequently, many of our new growth areas for housing such as Wilton, Appin, Menangle Park, Greater Macarthur and Oran Park have been developed in locations with no or limited water and sewerage infrastructure or facilities, creating an intense pressure on Sydney Water.

It is our lived experience that the restricted availability of essential water and sewerage infrastructure in immediate proximity to greenfield residential development is directly constraining development and hence creating a significant barrier to the supply of housing. In areas of fragmented land ownership, the impact will be more severe as it is difficult for a developer to assemble enough land parcels to fund lead-in infrastructure.

We can already give concrete examples of this:

- The capacity of Glenfield Waste Water Treatment Plant to service greenfield development in the Greater Macarthur Growth Area is insufficient and there is a lag in the delivery of the Upper Nepean Advanced Water Recycling Centre to support the development in that area.
- Greater Macarthur is establishing a short-term wastewater solution, which may jeopardise a longer-term solution for the upper Nepean wastewater recycling plant.
- 12,000 lots have been rezoned in Wilton Growth Area ready for development. A further 12,000 lots have also been rezoned in West Appin (Greater Macarthur). However, the Sydney Water upgrade to Bingara STP (providing capacity for 4,000 dwellings) is only due for completion in 2027
- Broader Sydney Water solution for wastewater serving for the mooted Upper Nepean Water Recycling Plant (servicing Wilton, Appin and Picton catchments) has been delayed until 2032
- In terms of capacity shortfall for the Wilton Growth Area, this means
 - In 2027, there will be an expected shortfall of at least: 1630 homes , 7 hectares of employment lands , 199,000m² of commercial floor space
 - In 2032, there will be an expected shortfall of at least: 2164 homes, 31.64 hectares of employment lands, 313,000m² of commercial floor space
 - In 2035 if there is no solution, there will be 3,604 homes unserved, with more than 480 homes expected per annum.
- Leppington Stages 3 & 4 developments currently have no commitment to essential utility infrastructure servicing.
- Springfield Road North and South (Catherine Fields Precinct) are unlikely to proceed at this stage due to Sydney Water's inability to service these areas before 2029-30.
- Leppington Town Centre, Moorebank East, Warwick Farm, and Moore Point: These proposals require substantial infrastructure support to become viable. Any delays or blockages in infrastructure provision directly affect the progress of these housing projects.
- Sydney Water feasibility and sewerage connectivity plans have been delayed or not shared with Council in particular for both the Austral Leppington Precinct, and the broader Aerotropolis, putting delays on housing projects.

The Western Parkland City needs better coordination of all infrastructure in a timely fashion in line with growth. Future residential growth is set to rapidly increase throughout Western Sydney, in addition to growing employment precincts with increased traffic movements which will only increase once the Western Sydney International Airport opens. To support the growth of these precincts, we require the enabling infrastructure that is fit for purpose and delivered in a timely fashion. Current funding mechanisms, including developer contribution schemes, are insufficient to cover the cost of infrastructure required to support both growth in established and new release areas. In addition, the uncertainty and lack of commitment to specific timing regarding the building of infrastructure severely impacts on our ability to attract or convert investment interest. We hence support the proposal for 60% of the increase in funds to be spent on delivering new infrastructure to growth areas. We note that the distribution of that 60% was GPEC 8%, South West Growth Area and the Airport 28%, and Greater Macarthur 17% for a total of 53% (of the 60% total) spent in the Western Parkland City. We would support that as the minimum level of distribution and would argue that perhaps the 'spare' 3% that is not accounted for could also be expended in our region.

Question of affordability

Western Parkland City households' living standards are lower and have risen more slowly than the rest of Sydney.⁸ While real living standards did increase for residents of the Parkland City with a 69% growth in weekly household income on 2006 levels, these gains were still substantially lower than in other areas, with growth in the weekly household income in Sydney's East of 84% on 2006 levels and that of Parramatta an incredible 97%. In addition, once the increase in household income less change in housing costs and adjusted for inflation over time (real purchasing power) is calculated, it can be clearly seen that the increases in income for the Western Parkland City households has been far more modest at \$11,000 (or a 24% increase). This is in comparison to Sydney at \$17,500 (+34%) and Parramatta at \$20,000 (+ 44%).

Western Parkland City households are also relatively disadvantaged with some communities having extreme concentrations of relative disadvantage in a way that other parts of Sydney do not have. For example, St Marys/North St Marys are in the bottom 5-10 percent of most disadvantaged suburbs, Fairfield is in the bottom 5%, Miller, Cartwright, Busby and Sadleir are in the bottom 2-3 per cent, and Airs and Claymore near Campbelltown in the bottom 1 per cent.⁹

In addition, many of the rezoning applications in the Western Parkland City (WPC) have been approved when there is no appropriate transport infrastructure in place, such as Wilton, Appin, and Austral. In fact, Wollondilly has no electric trains at all with only a diesel service and this has capacity constraints as noted above. This is a major issue. Our people have had no option to date but to rely predominantly on transportation by internal combustion engine (ICE) motor vehicle. This can be clearly evidenced by the fact that while only slightly more than 10% of Eastern Harbour City households have two vehicles or more, this is true for the majority of WPC households.¹⁰ It should also

⁸ Sydney's Parkland Councils Future Horizons Benchmarking Report, December 2022, Sea and Star Advisory

⁹ <https://profile.id.com/western-parkland/seifa-disadvantage-small-area>

¹⁰ Sydney's Parkland Councils Future Horizons Benchmarking Report, Transport Update April 2023, Sea and Star Advisory

be noted that a Federal Government report in Sustainable Cities found that while the perceived costs of car use are around 6c/pass-km, the real costs are closer to 60c/pass-km.¹¹

This highlights the lack of equity in NSW as it shows that the more socio-economically challenged populations are moving out to car dependent areas where they can afford housing but are forced to spend far more on transport with some families spending up to 40% of their income on transport.¹²

It is of serious concern to us given our people are already far more socio-economically disadvantaged in comparison to the residents of the rest of Sydney, that these increases will substantially impact on their household budgets. Sydney Water is proposing too, to apply the larger increase to the waste service charge rather than the usage charge, meaning there will be limited options for our residents to try and manage their rates by using less water.

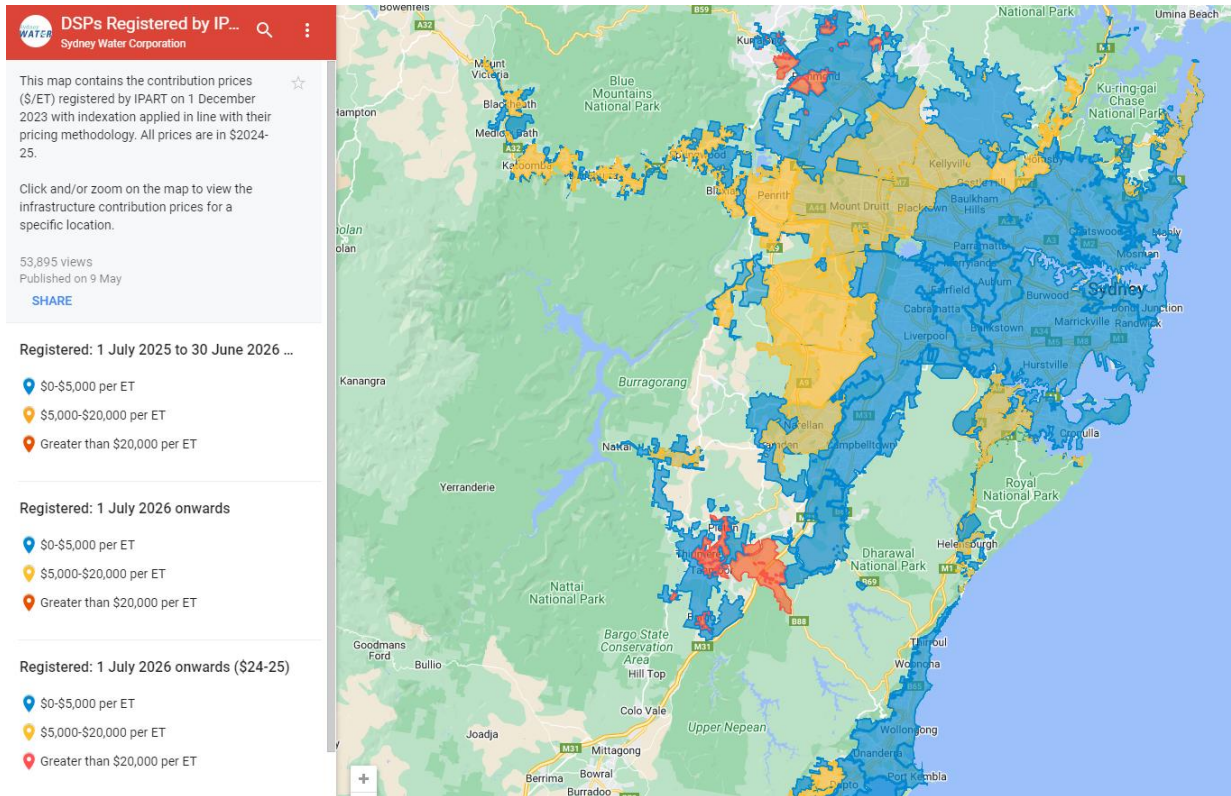
Unfortunately, Western Sydney is also considerably hotter than the rest of Sydney as it is often hit by hot westerly winds but rarely by cooling sea breezes. In fact, Western Sydney is now experiencing an average of 6-10 degrees C hotter than the rest of the city during extreme heat events. According to the State Government modelling, by 2040 Western Sydney will be hit with around 10 extra days of extreme heat each year.¹³ This could arguably indicate that water consumption in Western Sydney is bound to increase, whether for drinking water, multiple showers to freshen up, trying to keep the garden and sports fields alive or for the swimming pools that are going to continue to increase in desirability.

We would ask IPART, however, to note that it appears, based on the mapping tool at [Infrastructure contributions | Sydney Water Talk](#), which displays contribution prices per equivalent tenement, that there is a clear discrepancy in the amount Sydney Water charges for development in the east versus the west. It would appear that the west is already paying significantly more (see figure 1 below).

¹¹ House of Representatives (2005) Sustainable Cities, Commonwealth of Australia, Canberra.

¹² Transit-Oriented Development: An Australian Overview, Peter Newman, Curtin University

¹³ [Building adaptive capacity to heat in Western Sydney | AdaptNSW](#)



We would hence ask IPART to keep the reality of the lives of the people of the Western Parkland City in mind, when considering these increases and also to remember that to date, these same residents have effectively supported the delivery of enabling infrastructure in the rest of Sydney. Nevertheless, as a region that is faced daily with dealing with the impacts of limited water and sewerage facilities and services and the knowledge that Sydney Water lacks the funding to ameliorate this situation in the immediate future, we do not feel in a position to oppose the rate increase.

For these reasons though, we would argue that it is fair and equitable for stormwater services be charged across all Sydney Water customers and **not** only those connected to stormwater services so as to share the burden.

Please feel free to contact our Executive Director Joanna Kubota on [REDACTED] [REDACTED] should you have any questions or require any more information.

Yours sincerely,

[REDACTED]

Ben Taylor
 Chair, The Parks General Managers Group
 CEO, Wollondilly Shire Council